

**Butte County  
In-Home Supportive Services  
Program Integrity and  
Fraud Prevention and Investigation Plan**

The County of Butte is committed to the prevention, investigation and prosecution of IHSS fraud. The County's history of collaboration, particularly between the District Attorney's Office (DA) and the Department of Employment and Social Services (DESS), bears testimony to this commitment. Extreme funding reductions have had a dramatic impact on the depth and frequency of collaborative IHSS Fraud activities since June, 2007; Butte County's DA and DESS look forward to a resumption and expansion of collaborative endeavors related to IHSS Program Integrity and Fraud Prevention and Investigation with this new funding.

**IHSS Overpayments/Underpayments**

Fraud Investigation and Program Integrity funding will permit an increase in the frequency and depth of existing review activities, leading to increased numbers of identified instances of overpayment to both the DA, as well as the Department of Health Care Services (DHCS). As the community of providers and recipients become aware of enhanced and rigorous activity in the overpayment area, a reduction in the number of occurrences will likely occur.

Butte County IHSS Program staff will continue and expand activities that can identify possible overpayment/underpayments. These activities include:

1. IHSS Social Worker staff will continue to meet with recipients in their home at least once every twelve months, determining the appropriate number of hours and service level.
2. IHSS QA/QI staff:
  - Will review the IHSS Over 300-Hour Report to ensure hours are claimed correctly,
  - will review the Public Health deceased persons list in order to discontinue cases where the recipient has died,
  - will conduct random and targeted monthly quality assurance reviews of IHSS cases to ensure accuracy, detecting underpayment as well as overpayment, and
  - will review and resolve error reports as supplied by DHCS and Department of Social Services (DSS).
3. The review of IHSS activity will be enhanced in frequency and depth to identify suspected fraud, particularly when:
  - The recipient and/or provider is in custody and IHSS funds are being paid for care,
  - the recipient has died and time cards continue to be submitted,
  - the recipient has been hospitalized and time cards continue to be submitted,
  - the recipient and/or provider signature has been forged,

- the hours claimed exceed hours authorized or actually provided,
- the recipient willfully does not report changes in his/her household composition, and
- other factors that may indicate fraud are present.

In addition to more rigorous review, the DA, in concert with DESS IHSS, will develop and implement a multi-faceted media campaign, providing information about the IHSS Program eligibility and rules of operation as well as information about increased fraud detection activity. It is anticipated that increased community awareness on this subject will decrease occurrences over time.

### **Fraud Referrals/Outcomes**

Increased and enhanced activities funded by the IHSS Program Integrity and Fraud Prevention and Investigation funding will result in increased numbers of referrals, prosecutions, repayment and ultimately, deterrence of future IHSS Fraud activity. These activities will be performed in a collaborative fashion, with the DA staff, DESS IHSS QA/QI staff, and the DHCS staff acting in a complementary fashion to address IHSS Fraud in a multifaceted manner.

Referrals of suspected IHSS fraud are generated by several sources which include social workers, support staff, other departmental staff, family members and the community. When IHSS fraud investigations increase and these sources become aware of this enhanced IHSS Fraud investigation, referrals will increase.

The amount of overpayment will continue to be the critical factor in determining the appropriate agency for referral/investigation. Referrals under \$500 will be made to the District Attorney's Office. IHSS Fraud referrals that amount to over \$500 in overpayments will be sent to the DA as well as to DHCS with all information necessary to complete a fraud investigation. This information includes, but is not limited to: copies of time cards submitted for payment, including signatures; copies of paid warrants for the period in question; a completed potential overpayment form for the period in question, and a completed Medi-Cal Complaint form. The DA will coordinate with the DHCS on the investigation and prosecution of IHSS Fraud that exceeds \$500.00.

Concurrently, the IHSS QA/QI unit support staff will pursue collection of overpayments by contacting program participants to complete repayment agreements. Information regarding repayment on the part of the program participants will be shared with the DA.

The IHSS QA/QI unit and the DA will track information for each referral, including progress and outcome. This information will be consolidated by DESS for submission to DSS for ongoing program reporting and evaluation.

### **Collaboration and Partnership with District Attorney's Office**

DESS IHSS and the Butte County District Attorney's Office have developed a partnership and strong collaboration through previous joint endeavors.

During the Fiscal Year 2003/04 through Fiscal Year 2006/07, DESS IHSS worked together with the Butte County District Attorney under a Memorandum of Understanding (MOU) for

the investigation of allegations of fraud in the IHSS program. This agreement provided for one District Attorney Investigator and one Investigative Assistant to investigate IHSS fraud referrals.

During the term of this MOU, IHSS Fraud was more effectively addressed by:

- prompt investigations of referrals,
- enhanced public awareness of an active IHSS Fraud Investigation Program,
- presentations at weekly Public Authority Provider Enrollment orientations, and
- prosecution of criminal IHSS fraud cases.

Unfortunately, due to IHSS program funding constraints, this MOU terminated at the end of June 2007. All fraud referrals over \$500.00 were then forwarded on to DHCS for investigation. Those under \$500.00 remained in Butte County to be handled by the IHSS QA/QI unit who has had very limited resources with which to conduct investigations.

As indicated in Attachment D, the processing of IHSS fraud referrals dropped significantly with the ending of the MOU with the District Attorney. With the addition of IHSS Program Integrity and Fraud Prevention and Investigation funding, DESS will again enter into a MOU with the District Attorney to implement IHSS fraud prevention and investigation activities. The functions of the prior MOU (see above) will be expanded to include:

- The publishing of information about IHSS Fraud on the District Attorney's Office website,
- the development and implementation of a media campaign highlighting the IHSS Program eligibility and rules of participation,
- enhanced follow-up on participant repayment agreements, and
- joint field visits by IHSS QA/QI SW's and the DA Investigator to assist in program eligibility determinations, "early fraud" prevention and general investigative activity.

#### **Collaboration and Partnership with California Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS)**

As was the practice during the existence of the MOU with the Butte County District Attorney, IHSS fraud investigations were conducted within Butte County with notification to DHCS. With the implementation of this proposed plan for IHSS Program Integrity and Fraud Prevention and Investigation, the DA and DESS will work, in partnership with the DHCS, in the following manner:

- The DA IHSS Fraud Investigations unit will be responsible for investigations of fraud referrals with overpayments under \$500,
- DESS will forward referrals over \$500 in overpayments to both the DA and the DHCS,
- the District Attorney's Office will coordinate with DHCS Investigative Branch for joint investigations of IHSS fraud of more than \$500,
- DESS will provide DHCS office space to allow for joint investigations, as requested by DHCS,
- DESS IHSS QA/QI staff will reaffirm exchange of data understandings regarding the status of DHCS referrals of greater than \$500, and

- DA, DHCS and DESS IHSS coordination will enhance the tracking of referrals and outcomes of IHSS Fraud activity for accurate and complete reporting and trend identification for the DSS.

### **Mechanism for Tracking/Reporting**

The DESS IHSS QA/QI unit currently tracks all IHSS fraud referrals. This tracking system includes the type of suspected fraud, the dollar value of the suspected fraud, and investigation and referral status. This system will be enhanced to include outcome information from the DA and DESS IHSS as well as additional data elements as required for reporting. Coordination among the DESS, DA and DHCS will provide expanded and complete outcome data that was previously unavailable. Reports will comply with the required format and final data will be submitted by August 1, 2010. Additionally, the DESS and DA anticipate submitting a plan by June 1<sup>st</sup> for consideration of continued funding.

### **County's Current and Proposed Anti-Fraud Activities**

Butte County continues to have a strong commitment to the detection/prevention of IHSS fraud and has the following activities in place to help prevent recipients and/or providers committing fraud and to detect and investigate fraudulent activities:

1. Activities by County IHSS QA/QI Staff
  - Social Worker discovery by QA/QI review process,
  - review of IHSS 300+ hours report,
  - review of Health Department deceased person list,
  - review of fraud referrals to determine cause and possible prevention, and
  - resolving error studies as provided by DHCS/DSS.
2. Activities by IHSS Social Workers when meeting with IHSS recipients:
  - Explaining the definitions of fraud,
  - advising each recipient of their responsibilities as a recipient and employer to ensure correct time cards are submitted, and
  - requiring each recipient to sign Butte County's "IHSS Recipient/Employer Responsibility Checklist" indicating they understand their responsibilities.

These activities will be enhanced and expanded through the use of IHSS Program Integrity and Fraud Prevention and Investigation funding, by:

- Increased investigations by the District Attorney's office of IHSS Fraud as a result of expanded staffing,
- enhanced IHSS Fraud prevention activities conducted at all Public Authority provider enrollment meetings, including an IHSS Fraud Investigator present at all IHSS Provider orientations to discuss IHSS Fraud,
- a multi-faceted media campaign to educate the community regarding IHSS eligibility, rules of participation and increased IHSS Fraud investigative activity,
- publishing of information about IHSS Fraud on the District Attorney's Office website,
- enhanced follow-up on participant repayment agreements,
- joint field visits by IHSS QA/QI SW's and the DA Investigator to assist in program eligibility issues and fraud,



- unannounced home visits for verification of appropriateness and proper provision of services, and
- cross-referencing of incarceration reports and recipient/provider databases.

In addition, there may be unanticipated outcomes with these expanded and enhanced activities in that they would aid in the detection of other unlawful activities, including elder and dependent adult abuse (physical and fiduciary) and neglect.

### **County Proposed Budget for Utilization of Funds**

The Department of Employment and Social Services is proposing the following budget for the use of Program Integrity and Fraud Prevention and Investigation funding and Butte County's commitment to this endeavor. Included in this plan are the expenditures for six months of Fiscal Year 2009/2010 and proposed expenditures the entire Fiscal Year 2010/2011, should funding continue.

<b>District Attorney</b>	<b>FY 09/10</b>	<b>FY 10/11</b>
Salary & Benefits		
DA Investigator	\$53,261	\$106,522
Investigative Assistant	31,158	62,316
Overtime (backlog)	6,635	
<b>DA Subtotal</b>	<b>\$91,054</b>	<b>\$168,839</b>
<b>Department of Employment and Social Services</b>	<b>FY 09/10</b>	<b>FY 10/11</b>
Salary & Benefits		
1.0 FTE Social Worker	\$35,000	
0.5 FTE Social Worker		\$35,000
Services & Supplies		
Public Information/Media Campaign	20,000	
Laptop computer	1,900	
Fixed Assets		
Vehicle (mid-sized sedan)	20,000	
Intra Department Transfers		
Clerical support, supplies, OH	31,000	31,000
<b>DESS Subtotal</b>	<b>\$107,900</b>	<b>\$66,000</b>
<b>Total Funding Plan:</b>	<b>\$198,954</b>	<b>\$234,839</b>
FY 09-10 Funding Guideline:	\$198,954	\$198,954
Difference:	(0)	(35,884)

### **Description of how the County will Integrate Other Program Integrity Efforts within the Plan**

**Unannounced Home Visits:** The California Budget Act of 2009 appropriated funding for unannounced home visits to verify services are necessary and being provided as intended. The Program Integrity and Fraud Prevention and Investigation Activities will utilize and support these unannounced home visits.

Public Authority: The Public Authority staff conducts IHSS Provider enrollment orientation and training weekly for all new providers. The orientation includes an overview of the IHSS program, provider responsibilities, as well as which activities are considered fraud. This will be enhanced by including the DA Investigator presenting on IHSS fraud during these presentations.

### **Annual Outcomes Report**

The Butte County IHSS Program is committed to providing annual outcomes reports to DSS as described in the September 25, 2009 DSS letter to the County Board of Supervisors. This report will identify activities performed and outcomes associated with our efforts to mitigate, prevent, detect, and investigate IHSS Fraud.

Butte County Department of Employment and Social Services  
IHSS Program Integrity and Fraud Investigations Plan FY 2009/10  
Attachment D

		FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09
<b>Overpayments identified by County QA</b>						
Total Amount per Fiscal Year:		0	0	0	0	0
Number of Instances:						
Breakdown of Causes	Provider:					
	Recipient:					
	County Error:					
	Unknown:					
	Other:					
<b>Underpayments identified by County QA</b>						
Total Amount per Fiscal Year:		0	0	0	0	0
Number of Instances:						
Breakdown of Cases	Provider:					
	Recipient:					
	County Error:					
	Unknown:					
	Other:					
<b>Fraud Referrals/Outcomes</b>						
Number of referrals to DHCS:		0	0	1	16	19
Number handled locally by DA:		147	120	106	0	0
Number of convictions:		3	0	0	0	0
Amount of funds recovered:		\$13,117	\$967	\$9,642	0	0
Amount of funds pending recovery:		\$37,269	\$10,129	\$7,900	\$34,703**	\$18,730**
Basis for Conviction:						
Individuals Responsible	Provider:					
	Recipient:					
	County Error:					
	Unknown:					
	Other:					
<b>Utilization of County DA for Fraud</b>						
Documented referrals to DA		147	120	106	0	0
	Accepted:	130	120	106		
	Rejected:	0	0	0		
	Pending:	0	0	0		
Completed Investigation		89	71	63		
	No Fraud:	51	36	31		
	Restitution Action:	18	20	19		
	Referred for Prosecution:	3	7	6		
	Criminal Charges Filed:	3	6	4		
	No Charges Filed:	17	8	7		
	Convictions:	3	6	4		
	Acquittals:	0	0	0		
	Dismissals:	0	0	0		
	Pending Investigation:	58	49	43		
Restitution						
	Court Ordered:	\$7,475	\$15,654	\$5,806		
	Restitution Action:	\$45,566	\$4,602	\$41,770		
Fines		\$800	\$2,900	\$920		
Prosecutions Completed		3	6	4		
Convictions		3	6	4		
	Misdemeanor:	1	1	1		
	Felony:	2	5	3		

\*\* Total \$\$ amount of fraud referrals sent to DHCS

**Budget Justification**  
**Butte County's Fraud Funding Plan for FY 2009-10**

Budget Section	Total
A. Personnel Costs (includes employee benefits)	\$35,000
B. Operating Expenses	\$ 0
C. Equipment Expenses	\$ 21,900
D. Travel/Per Diem and Training	\$ 0
E. Subcontracts and Consultants	\$ 91,054
F. Other Costs	\$ 20,000
G. Indirect Expenses	\$ 31,000
<b>Total Expenses</b>	<b>\$ 198,954</b>

A. Personnel Costs (including employee benefits)	Total Budget
<b>Title:</b> 1.0 FTE Social Worker <b>Salary Calculation:</b> Salary \$24,500, Benefits \$10,500 <b>Duties Description:</b> Reviews IHSS Fraud Referrals for appropriate assignment to DA/DHCS. Provide program support for DA IHSS Fraud investigators. Duties include, but not limited to: homevisits, case conferences, case reviews, regulation interpretations, and collection of IHSS client/provider supporting documentation for investigations, training on IHSS Fraud. Position is assigned to the IHSS QA unit.	\$ 35,000
<b>Title:</b> <b>Salary Calculation:</b> <b>Duties Description:</b>	\$
<b>Title:</b> <b>Salary Calculation:</b> <b>Duties Description:</b>	\$
<b>Title:</b> <b>Salary Calculation:</b> <b>Duties Description:</b>	\$
<b>Title:</b> <b>Salary Calculation:</b> <b>Duties Description:</b>	\$
<b>Total Personnel Costs:</b>	<b>\$ 35,000</b>



<b>B. Operating Expenses</b>	<b>Total Budget</b>
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Total Operating Expenses:</b>	<b>\$ 0</b>

<b>C. Equipment Expenses</b>	<b>Total Budget</b>
<b>Title: Vehicle</b> <b>Description: 4-door sedan for use by DESS IHSS personnel for home visits and meetings.</b>	\$ 20,000
<b>Title: Laptop(s)</b> <b>Description: Purchase of 1-2 laptop(s) with wireless capability for documentation and data collection</b>	\$ 1,900
<b>Title:</b> <b>Description:</b>	\$
<b>Total Equipment Expenses:</b>	<b>\$ 21,900</b>

<b>D. Travel/Per Diem and Training</b>	<b>Total Budget</b>
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Total Travel/Per Diem and Training:</b>	<b>\$ 0</b>

<b>E. Subcontracts and Consultants</b>	<b>Total Budget</b>
<b>Title:</b> Memorandum of Understanding-Butte County District Attorney's Office <b>Description:</b> Provides funding for one DA Investigator (\$53,261), one DA Investigative Assistant(\$31,158), and Overtime to address backlog of complaints (\$6635).	\$ 91,054
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Total Subcontracts and Consultants:</b>	<b>\$ 91,054</b>

<b>F. Other Costs</b>	<b>Total Budget</b>
<b>Title:</b> Public Information/Media Campaign <b>Description:</b> Campaign includes newspaper, internet, television and other communications directed at the public and providers regarding the IHSS program integrity.	\$ 20,000
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Title:</b> <b>Description:</b>	\$
<b>Total Other Costs:</b>	<b>\$ 20,000</b>

<b>G. Indirect Expenses</b>	<b>Total Budget</b>
<b>Title:</b> Administrative expense <b>Description:</b> Allocated portions of administration and administrative and clerical support salaries and benefits, allocated portions of Intragovernmental Service Funds, Support Service Department costs, space use, utilities, communications, information systems, professional services, travel and transportation, and other services and supplies	\$31,000

**Enclosure B**

COUNTY RESPONSE COVER PAGE – MUST BE FULLY COMPLETED AND  
SUBMITTED WITH PLAN AND DATA

Butte County is requesting participation in the Enhanced Anti-Fraud Program  
and will submit a Plan and Data as described above, by November 1, 2009.

**Board of Supervisor Approval**

Approved on November 10, 2009, by the County Board of Supervisors

Name of Approver: Bill Connelly, Chair

Signature See Minute Order

Name of County District Attorney Representative: Kory Honea

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